

Part II Written Description Justifying the Rate Increase
Consumer Disclosure for Proposed Health Insurance Rate Increase

Baptist Health Plan, Inc.

Baptist Select Gold HMO 1500 \$10 Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 24.4% for the Baptist Select Gold HMO 1500 \$10 Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 1,098 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
Consumer Disclosure for Proposed Health Insurance Rate Increase

Baptist Health Plan, Inc.

Baptist Select Silver HMO 4000 \$20 Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 27.1% for the Baptist Select Silver HMO 4000 \$20 Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 948 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
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Baptist Health Plan, Inc.

Baptist Select Silver HMO 3000 10% Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 27.7% for the Baptist Select Silver HMO 3000 10% Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 137 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
Consumer Disclosure for Proposed Health Insurance Rate Increase

Baptist Health Plan, Inc.

Baptist Select Silver HMO 4500 \$20 Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 28.2% for the Baptist Select Silver HMO 4500 \$20 Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 2,410 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
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Baptist Health Plan, Inc.

Baptist Select Bronze HMO 6500 \$40 Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 20.1% for the Baptist Select Bronze HMO 6500 \$40 Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 163 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
Consumer Disclosure for Proposed Health Insurance Rate Increase

Baptist Health Plan, Inc.

Baptist Select Bronze HMO 6850 0% Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 25.5% for the Baptist Select Bronze HMO 6850 0% Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 80 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
Consumer Disclosure for Proposed Health Insurance Rate Increase

Baptist Health Plan, Inc.

Baptist Select Catastrophic HMO 7150 \$40 Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 22.9% for the Baptist Select Catastrophic HMO 7150 \$40 Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 3 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.

Part II Written Description Justifying the Rate Increase
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Baptist Health Plan, Inc.

Baptist Select Bronze PPO/HSA 6500 0% Embedded Baptist Health Community Care Network Plan
Rate Change Effective January 1, 2017

Scope and range of the rate increase

Baptist Health Plan, Inc. has proposed a premium rate increase of 44.5% for the Baptist Select Bronze PPO/HSA 6500 0% Embedded Baptist Health Community Care Network plan in the state of Kentucky effective January 1, 2017. This increase will impact approximately 404 members renewing in 2017 with Baptist Health Plan, Inc. The actual premium rate increase for any individual will vary based on geographic location, age, dependent coverage and smoking status.

Financial experience of the product

Baptist Health Plan, Inc. has proposed a premium rate increase expecting to yield a medical loss ratio of 80% or higher after covering projected medical trends. This means that at least 80 cents of each premium dollar are expected to cover members' medical expenses and account for the impact of the ACA premium stabilization programs. Financial experience for each individual plan may vary, but is expected to perform similar to Baptist Health Plan, Inc.'s market level performance as a whole.

Changes in Medical Service Costs

A portion of the proposed premium rate increase is due to a rise in both the cost of medical services and the amount of services rendered (utilization). Baptist Health Plan, Inc. expects the combination of cost and utilization to increase by 6.5% annually for medical and pharmaceutical services.

In addition to cost and utilization increases described above, Baptist Health Plan, Inc. has incorporated data regarding the costs and characteristics associated with its plan enrollees. Premium adjustments were made to reflect differences between what had previously been expected and what Baptist Health Plan, Inc. actually observed in its most recent experience.

Changes in benefits

Benefit changes are made in order to comply with ACA metal requirements as well as EHB (essential health benefits) requirements set by the state, which may vary from year to year.

Administrative costs and anticipated profits

Baptist Health Plan, Inc. is dedicated to managing administrative costs. Costs associated with ACA taxes and fees decreased in benefit year 2017 and this decrease is reflected in Baptist Health Plan, Inc.'s premium rates.

ACA Premium Stabilization Program Changes

The ACA's transitional reinsurance program ended in 2016. As such, 2017 rates for the individual product no longer include any offset for expected transitional reinsurance recoveries. Also beginning in 2017, Baptist Health Plan, Inc.'s premium rates include an estimate of risk adjustment transfer payments based on newly available data related to prior risk adjustment payments.